CENTURION ENERGY INTERNATIONAL INC.
800, 205 - 5th Avenue S.W.
Calgary, Alberta
T2P 2V7

January 2, 2001

Alberta Securities Commission
Continuous Disclosure
19th Floor, 10025 Jasper Avenue
Edmonton, Alberta
T5K 3Z5

Ontario Securities Commission
Suite 800, Box 55
20 Queen Street West
Toronto, Ontario
M5H 3S8

Saskatchewan Securities Commission
8th Floor, 1914 Hamilton Street
Regina, Saskatchewan
S4P 3V7

British Columbia Securities Commission
200, 865 Hornby Street
Vancouver, British Columbia
V6Z 2H4

Manitoba Securities Commission
1128, 405 Broadway
Winnipeg, Manitoba
R3C 3L6

Dear Sirs:

Re: Centurion Energy International Inc. (the "Corporation") - Material Change Report

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This letter is intended as a statement setting forth certain matters that may be a material change in the affairs of the Corporation. For convenience, this letter is itemized in the same manner as the form required by the *Securities Act* (Alberta), *Securities Act* (British Columbia), *Securities Act* (Saskatchewan), *Securities Act* (Manitoba) and *Securities Act* (Ontario).

Concurrent with this filing, this letter is being filed with The Toronto Stock Exchange, being the only Exchange on which the Corporation's shares are currently listed.

Item 1 - Reporting Issuer

Centurion Energy International Inc.
800, 205 - 5th Avenue S.W.
Calgary, Alberta
T2P 2V7

Item 2 - Date of Material Change

The material change occurred on or about December 22, 2000.

Item 3 - News Release

A Press Release was issued on December 22, 2000 through the facilities of Canadian Corporate News.

Item 4 - Summary of Material Change

The Corporation closed a private placement of Cdn$3,000,000 through the issuance of 3,409,091 units at a price of Cdn$0.88 per unit effective December 22, 2000 with ARC Canadian Energy Venture Fund 2. Jennings Capital Inc. acted as Agent for the private placement.

Item 5 - Full Description of Material Change

On December 22, 2000 the Corporation closed a private placement of Cdn$3,000,000 through the issuance of 3,409,091 units at a price of Cdn$0.88 per unit with ARC Canadian Energy Venture Fund 2. Each unit consisted of one common share and one-half of one transferable common share purchase warrant. One common share purchase warrant entitles the holder to purchase one additional common share at an exercise price of Cdn$1.20 per common share for a period of three years from the closing date. Jennings Capital Inc. acted as Agent for the private placement and received a commission of 3% of the gross proceeds.

ARC Canadian Energy Venture Fund 2 was the only subscriber to the private placement and as a result of the private placement holds approximately 5% of the outstanding common shares of the Corporation.

The Toronto Stock Exchange has conditionally approved the listing of the common shares issuable on the private placement subject to the receipt of the required documentation by January 31, 2001.

The proceeds of the issue will be used primarily for working capital and acceleration of the Corporation's exploration and development capital programs in Tunisia and Egypt.

Item 6 -

Not applicable.

Item 7 -

Not applicable.

Item 8 - Senior Officer

The name of a Senior Officer of the Corporation who is knowledgeable about the material change and who can be contacted by the Commission is:

Said Arrata, President, or Barry Swan, Vice President Finance

Telephone: (403) 263-6002
Facsimile: (403) 263-5998

Item 9 - Statement of a Senior Officer

The foregoing accurately discloses the material change referred to in this report.

DATED at Calgary, Alberta, this 2nd day of January, 2001.

Yours truly,

"Barry Swan"

Per: ____________________________

Barry Swan
Vice President Finance and Chief Financial Officer

cc: The Toronto Stock Exchange
Quebec Securities Commission